# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of	)	
Federal-State Joint Board on Universal Service	)	CC Docket No. 96-45
TRACFONE WIRELESS, INC.	)	
Petition for Designation as an Eligible Telecommunications Carrier	)	
In the Commonwealth of Virginia	) )	

## AMENDMENT TO PETITION FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER IN THE COMMONWEALTH OF VIRGINIA

TracFone Wireless, Inc. ("TracFone"), by its undersigned counsel, hereby submits this Amendment to its Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Virginia, filed with the Commission on June 21, 2004. By this Amendment, TracFone narrows the scope of its request for Eligible Telecommunications Carrier ("ETC") designation.

On or about July 26, 2004, several entities filed comments in response to TracFone's Petition for Designation as an ETC in the State of New York and its Petition for Forbearance. Based upon review of the comments opposing TracFone's petitions, it is apparent that virtually

<sup>&</sup>lt;sup>1</sup> On June 8, 2004, concurrent with filing a Petition for Designation as an Eligible Telecommunications in the State of New York, TracFone filed a Petition for Forbearance. The forbearance petition requests that the Commission exercise its authority under Section 10 of the Communications Act (47 U.S.C. § 160) to forbear from applying or enforcing the requirement contained at Section 214(e)(1)(A) of the Act (47 U.S.C. § 214(e)(1)(A)) that carriers designated as eligible telecommunications carriers provide service either using their own facilities or a combination of their own facilities and resale of another carrier's services.

all of the objections to TracFone's petitions involved TracFone's participation as an ETC in the federal Universal Service Fund's high cost program. In its reply comments, filed with the Commission on August 9, 2004, TracFone narrowed the scope of its request for ETC designation to Lifeline service. This Amendment modifies TracFone's Petition for Designation as an ETC in the Commonwealth of Virginia to comport with TracFone's clarified position in its recently filed reply comments.

TracFone is a Commercial Mobile Radio Service (CMRS) provider which provides its services only on a prepaid basis. TracFone's customers tend to be those customers which other wireless carriers do not want to serve – lower income, lower volume users, students, the elderly, and transient consumers; customers who either are unwilling to enter into long-term service contracts with steep early termination penalties or, if they are willing to sign such contracts, do not have credit standings that would be satisfactory to those other carriers. commitment to offering prepaid plans which make wireless service available to low income, low volume users has been a critical component of TracFone's business strategy since the company's inception. Now, however, TracFone has determined to offer service specifically targeted at that portion of the consuming public most in need of affordable telecommunications services: those who qualify for assistance under the Commission's Lifeline program. For that reason, TracFone clarifies its purpose in seeking ETC designation in the Commonwealth of Virginia.<sup>2</sup> TracFone seeks ETC designation solely to enable it to offer Lifeline service to eligible low income consumers. TracFone does not seek access to funds from the federal Universal Service Fund for the purpose of providing service to high cost areas.

<sup>&</sup>lt;sup>2</sup> To date, TracFone has applied for ETC designation in Florida, New York, and Virginia. It plans to seek ETC designation in additional states.

TracFone's proposed Lifeline offering is as follows:

- 250 minutes of prepaid calling time for a flat charge of \$25.00. Those minutes would be usable for at least one year from the date of purchase.
- Prepaid minutes could be used for local or long distance calling and would be usable within or outside the customer's local calling area.
- The \$0.10 per minute rate would be an all-inclusive rate. There would be no separate roaming charges and no additional charges for taxes, universal service pass-throughs, E-911 fees, etc.
- No monthly minimum usage commitment. Once the prepaid minutes are depleted, additional prepaid cards could be purchased at the same price.
- Option of purchasing new or refurbished handsets at discounted prices. New handsets will be all-digital and will have state-of-the-art features including E-911 capability. Other features of TracFone's Lifeline service will include free voice mail, caller ID, call waiting, and free inbound SMS text messaging and outbound SMS text messaging at a rate of \$0.05 per message.

Based on the foregoing, and for the reasons stated in its Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Virginia, TracFone contends that the requirements for eligibility for designation as an ETC have been met. Therefore, TracFone requests that the Commission promptly grant its Petition.

Respectfully submitted,

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August 16, 2004

### **CERTIFICATE OF SERVICE**

I, Michelle D. Diedrick, an Executive Assistant with the law firm of Greenberg Traurig, LLP, hereby certify that on August 16, 2004, a copy of the foregoing Amendment to Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Virginia was served on the following:

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